

**Village of Salado
Salado Municipal Building
301 North Stagecoach Road
Salado, Texas
Minutes of Regular Meeting of Board of Aldermen
February 21, 2019 at 6:30 p.m.**

The Board of Aldermen meeting was called to order at 6:30 p.m. by Mayor Skip Blancett.

Mayor Blancett gave the Invocation and the Board of Aldermen led the Pledge of Allegiance to the United States and Texas flags.

Board Members Present: Mayor Skip Blancett, Mayor Pro-tem Frank Coachman, Aldermen Andy Jackson, and Michael Coggin. Alderman Michael McDougal was absent.

Salado High School Representative Present: Grace Barker

Staff Present: Village Administrator Don Ferguson and City Secretary Cara McPartland

Citizens Communications

No citizen comments were heard.

1. Consent Agenda

- A. Approval of minutes of the Regular Board of Aldermen meeting of February 5, 2019.
- B. Approval of minutes of the Special Board of Aldermen meeting of February 7, 2019.
- C. Approval of the January 2019 Financial Statements for the Village of Salado.

Alderman Jackson moved to approve all Consent Agenda items, as presented. Alderman Coggin seconded. At Alderman Coggin's request for clarification, Village Administrator Ferguson explained the motion and action taken at the Special meeting of February 5, 2019, which was properly posted for an executive session and for an action item in open session (following the executive session). Motion carried on a vote of 3-0.

2. Village Administrator's Status Report

- Wastewater Project Update

Village Administrator Ferguson reported on treatment plant perimeter fencing, start-up and testing, final collection system walk-through, and review of updated water usage data, with finalization of rates to be presented at the Board's March 6th meeting. He stated information on connection to the system will be posted on the Village's website. He advised that the target date for system start-up is April 2, 2019. It was noted that information will be sent out within two weeks to initial customers and photos were displayed showing progression of work at the treatment plant site.

- 2018 Development Activity Report

Village Administrator Ferguson reported an increase in residential and commercial building permits, and decreased housing starts, with permit values down slightly primarily due to lower housing starts.

- Sales Tax Collections

Village Administrator Ferguson reported receipt of the February 2019 sales tax check, representing December 2018 collections, in the amount of \$52,809.00, up seven (7) percent from the same period last year, and the largest February check in the Village's history. He noted fiscal year-to-date collections are up about ten percent from the same period last year, and are running well ahead of budget.

- Salado Police Chief Search

Village Administrator Ferguson reported four finalists have been selected from about thirty applications to participate in an assessment center on Friday, February 22, 2019. He anticipated making an offer to one of the finalists next week.

- May 2019 Election Update

Village Administrator Ferguson reported six candidates have filed for three alderman positions. He noted the deadline to withdraw is February 22nd at 5 p.m. He highlighted voting/early voting location, dates, and times.

In addition, he reported that the Planning and Zoning Commission's Special February 20th workshop meeting was cancelled due to lack of a quorum and is re-scheduled for February 26, 2019. He reported on the public hearing schedule for Comprehensive Plan amendments.

In response to Mayor Blancett, Village Administrator Ferguson spoke of the life-saving actions of Salado Police Officer Christopher Dunshie, who responded to a head-on collision that occurred on IH-35. Mayor Blancett and Village Administrator Ferguson expressed pride in the Salado Police Department and all of our first responders, including Texas DPS and Salado Fire Department personnel.

Alderman Coggin asked for an update on the conditional use permit (CUP) application for the Mill Creek Golf Course property. Village Administrator Ferguson advised the rezoning process is underway and that notices are being sent out next week. Alderman Coggin expressed appreciation for tree trimming on Smith Branch Road.

3. Discussion and Possible Action

- A. Discuss and consider possible action regarding a proposed Concept Plan and associated variance request relating to minimum lot size for an approximately 54-acre, three phase,

residential subdivision to be located at the northeast corner of the intersection of Royal Street and Smith Branch Road. (*Village Administrator*)

Mayor Pro-tem Coachman recused himself from the meeting at this time, as he is an adjacent property owner.

Village Administrator Ferguson explained that the Board still has a quorum with two remaining aldermen and noted that the mayor would vote only in the event of a tie.

Village Administrator Ferguson reviewed the Concept Plan and variance request, which includes the applicant Larry Rosamond's intent to annex the subject property into the corporate limits of the Village. It was noted that the subdivision would be served by the new Salado Wastewater System and Salado Water Supply Corporation. Details were provided on the planned number of lots, lot sizes, sidewalks, drainage collection ponds, and the developer's payment of park fees (in lieu of parkland dedication). He noted that the developer plans to dedicate Smith Branch Road to the Village, which is considered a prescriptive easement due to its use and maintenance by the public for many years. He advised the Village Engineer's review of the Concept Plan has found it to be compliant with Village ordinances with the exception of minimum lot size requirements. It was stressed that this is a concept plan designed to show access, street location, phasing, and number/type/size of lots, and if approved, the developer will file a preliminary plat to be considered by the Planning and Zoning Commission for a recommendation to the Board of Aldermen.

In response to Mayor Blancett, Village Administrator Ferguson explained the color-coded concept plan of the subdivision showing phasing and minimum lot size. He confirmed that the Village can only provide wastewater service to the development if the subject property is annexed into the Village limits.

Lute Oas of 2213 Indian Trail agreed with the need for keeping the aforementioned easement open, as he said this road is needed to provide access and maintain property values. He did not object to the proposed lot sizes.

Ron Miller of 1119 Indian Trail spoke of his experience as a registered public surveyor and project manager, and focused his comments on post-development groundwater runoff. He was concerned that there is only one drainage outlet (30-inch culvert) along Smith Branch Road, which would empty directly into his back yard and continue through several properties to a retention pond. He stated any overflow from the pond continues westward and empties into Salado Creek. He said only occasional heavy rain would cause flows through the culvert, but was concerned that the loss of ground absorption from construction/pavement may cause considerable drainage affecting Indian Trail and Blaylock. He noted two small detention ponds were located only on the east side of the development, but said there was nothing on the west side to alleviate drainage issues. He asked the Board to ensure the developer has planned to avoid water damage on the western side of the property. He cited Texas Water Code §11.086 (Overflow Caused by Diversion of Water). He said his concerns about possible closure of Smith Branch Road have been addressed, as he understands the road will remain open. He offered to provide references to legal sources cited in his comments.

Village Administrator Ferguson advised that drainage will be a key consideration when construction plats are submitted and the developer will have to fully comply with all Village drainage requirements.

Merle Stalcup of 2025 Indian Trail thanked Board members for their service. He expressed concerns about the first six lots in the green area, which could be 9,205 square foot lots, and the possibility of Smith Branch Road being blocked off. He said a number of residents use that road for various reasons and spoke of its importance in the event of a fire. He noted that cedar trees burn fast and spoke of a “hose patrol” by residents to provide fire protection. He said a previous fire chief used the subject road to put out a fire about 12 to 13 years ago. He asked that Phase III be delayed until negotiations can be worked out on the six lots in question.

Mark Rice of 2013 Indian Trail agreed with Mr. Stalcup’s concerns regarding Smith Branch Road access. He said his house is closest to the undeveloped woods and would be the first to burn in the event of fire. He felt if the road were not open, there may be insurance problems for both property owners and the developer. He had no issue with proposed lot sizes and welcomed new development to Salado.

Discussion addressed the status of Smith Branch Road, which is not a dedicated public access easement; access as an issue to be worked out between property owners; future platting process; developer’s awareness of drainage requirements; provision of water/wastewater service (by Salado Water Supply Corporation and the Village of Salado, respectively); sufficient wastewater capacity; access issues, including streets, alignment, collectors; importance of traffic planning, given limited right-of-way for future expansion; and water quality controls. Alderman Coggin said he was not comfortable approving anything at this stage unless there is a legally reviewed letter from the developer that he will be annexing into the Village. Village Administrator Ferguson noted the wastewater commitment is spelled out in the developer’s letter relating to filing of the plat. He stressed that the subdivision will not be served by Village wastewater until it is annexed into the Village limits, which is very clearly stated in the existing letter to the developer. Alderman Coggin also referenced the Board’s upcoming Workshop Agenda Item 4A to revisit lot sizes and Village Administrator Ferguson stated that this subdivision has already been filed and any future changes to lot size regulations would not be applicable.

Alderman Coggin moved to take no action on this Concept Plan until there is a more formal agreement with the developer regarding annexing the subject property. Motion died for lack of a second.

Alderman Jackson moved to approve the proposed Concept Plan and associated variance request relating to minimum lot size. Motion died for lack of a second.

No action was taken on this item.

- B. Discuss and consider possible action regarding a proposed professional services agreement with Jacobs/CH2MHill relating to the provision of management, operation and maintenance services for the Village of Salado Wastewater System. (*Village Administrator*)

Village Administrator Ferguson requested continuance of this item until the Board's Special meeting on February 28, 2019. No action was taken.

- C. Discuss and consider possible action regarding a voluntary annexation petition submitted by the Salado Independent School District. (*Village Administrator*)

Village Administrator Ferguson advised the written petition was received today and requested continuance of this item until the Board's Special meeting on February 28, 2019. No action was taken.

- D. Discuss and consider possible action regarding a request to utilize Pace Park for paid helicopter rides during the Salado Springs Beer Festival on June 15, 2019. (*Village Administrator*)

Village Administrator Ferguson recommended approval of the request, with the following conditions: no night rides; provide evidence of general liability insurance, with the Village of Salado listed as an additional insured.

K.D. Hill distributed an informational handout on the helicopter services company and confirmed there will not be any rides after dark. She spoke confidently of the helicopter company's professionalism and safety record.

Mayor Pro-tem Coachman moved to approve the request to utilize Pace Park for paid helicopter rides during the Salado Springs Beer Festival on June 15, 2019, including the abovementioned conditions, as recommended. Alderman Jackson seconded. Motion carried on a vote of 3-0.

- E. Discuss and consider possible action regarding Contract Amendment No. 4 with Kasberg, Patrick & Associates, LP relating to the extension of wastewater service on Salado School Road. (*Village Administrator*)

Village Administrator Ferguson recommended approval of the amendment, including services relating to construction of a wastewater collection line on Salado School Road, in the amount of \$14,800. He noted this cost will be reimbursed by Salado ISD under an interlocal agreement to be presented to Board members at a future meeting.

Mayor Pro-tem Coachman moved to approve Contract Amendment No. 4 with Kasberg, Patrick & Associates, LP relating to the extension of wastewater service on Salado School Road. Alderman Jackson seconded. Motion carried on a vote of 3-0.

- F. Discuss and consider possible action regarding Contract Amendment No. 7 with McLean Construction relating to construction of a wastewater collection line on Salado School Road. (*Village Administrator*)

Village Administrator Ferguson recommended approval of the amendment, including services relating to construction of a wastewater line on Salado School Road. He noted the revised cost of

\$175,550 is less than originally proposed cost of \$186,822 and will be reimbursed by Salado ISD under an interlocal agreement to be presented to the Board at a future meeting.

Alderman Jackson moved to approve Contract Amendment No. 7 with McLean Construction relating to construction of a wastewater collection line on Salado School Road, as presented. Mayor Pro-tem Coachman seconded. Motion carried on a vote of 3-0.

- G. Discuss and consider possible action regarding a section of Village-owned right-of-way located between Royal Street and the Salado Creek. (*Village Administrator*)

Village Administrator Ferguson reviewed previous Board discussion on possible abandonment of the subject strip of right-of-way and subsequent Pace Park Advisory Board discussion of potential development of a pedestrian crossing over Salado Creek. Discussion addressed procedures for abandoning property; differences between this request and a recent alley abandonment between N. Main and N. Church Streets; and potential for public use of the subject right-of-way; and surrounding properties.

Barrow Brewery owner K.D. Hill spoke on reasons for the joint request for this abandonment from the Hills and Will Lowery, including hazards such as standing water and a large hollow dead tree. She said that beyond proper care and maintenance, there is no possibility for building on the subject property.

Alderman Coggin asked Mrs. Hill if a lease or long-term easement would be acceptable if the Village does not turn over the property to them for future development. She replied affirmatively that they would be interested in such a discussion. She said the advantage of the Village abandoning the property to them would be that they would start paying taxes on the subject property. In response to Mayor Blancett, Mrs. Hill said there are no plans for improvements on the property due to its location in the floodway/plain, other than properly maintaining it.

Mayor Pro-tem Coachman moved to direct staff to continue negotiations with Barrow Brewing owners and Will Lowery regarding the subject property and any future easements. Alderman Coggin seconded. Motion carried on a vote of 3-0.

- H. Discuss and consider possible action regarding a request from Dale Sitz for a family subdivision exemption for a proposed subdivision in the Village of Salado's E-T-J. (*Village Administrator*)

Village Administrator Ferguson explained certain collaborative aspects of county and city subdivision regulations via so-called "1445" agreements relating to E-T-J subdivisions. Under the Village's Subdivision Ordinance, the subject property transfer would require platting, however, State law prohibits the County from requiring platting because the lot is being sold to a relative of the owner. The Village's "1445" agreement with Bell County does not allow a "family" subdivision exemption. As the Village does not have an exemption provision in the Subdivision Code, he said legal counsel concurs that the Board cannot take action tonight on this matter. Village Administrator Ferguson recommended going back to Bell County, rather than amending the Village's Subdivision Code, and asking to amend the "1445" agreement to add language

addressing familial property transactions in the E-T-J. He cautioned against granting such familial exemptions for property transactions within Village limits. He advised that the Board may move to deny this request, but direct staff to approach Bell County regarding the aforementioned "1445" agreement amendment.

Mayor Pro-tem Coachman moved to deny the request from Dale Sitz for a family subdivision exemption for a proposed subdivision in the Village of Salado's E-T-J and to direct staff to approach Bell County about possible amendment of the Village's "1445" agreement to include a familial exemption for subdivisions within the Village's E-T-J. Alderman Jackson seconded. Motion carried on a vote of 3-0.

Mayor Blancett spoke of the beauty and special nature of Salado and pointed out tonight's discussions reflecting the Board's diligence in its decision-making process, by listening and using care and common sense.

Addendum to Agenda

3. Discussion and Possible Action

- I. Discuss and consider possible action regarding Contract Amendment No. 8 with McLean Construction relating to the construction of a wastewater collection line on Williams Road.
(*Village Administrator*)

Village Administrator Ferguson recommended approval of the proposed amendment to allow construction of a wastewater collection line on Williams Road at a cost of \$83,357. He noted this cost will be reimbursed by Salado ISD under an interlocal agreement to be presented to the Board at a future meeting.

Mayor Pro-tem Coachman moved to approve Contract Amendment No. 8 with McLean Construction relating to the construction of a wastewater collection line on Williams Road, as presented. Alderman Jackson seconded. Motion carried on a vote of 3-0.

- J. Discuss and consider possible action regarding Contract Amendment No. 5 with Kasberg, Patrick & Associates, LP relating to the extension of wastewater service on Williams Road.
(*Village Administrator*)

Village Administrator Ferguson Village Administrator Ferguson recommended approval of the proposed amendment relating to services (project boundary staking, construction administration, and on-site inspections) associated with construction of a wastewater collection line on Salado School Road. He noted the contract amendment cost of \$6,100 will be reimbursed by Salado ISD under an interlocal agreement to be presented to the Board at a future meeting.

Alderman Jackson moved to approve Contract Amendment No. 5 with Kasberg, Patrick & Associates, LP relating to the extension of wastewater service on Williams Road, as presented. Alderman Coggin seconded. Motion carried on a vote of 3-0.

Village Administrator Ferguson advised that construction on Salado School Road is anticipated to begin on the morning of Monday, February 25th and noted construction hours (8:30 a.m. to 2:45 p.m.). He stated boring work on Williams Road is anticipated to begin in the next 1-2 weeks. He said the Salado ISD has been notified and property owners are being sent letters on the construction project and expected completion within 90 days.

- K. Discuss and consider possible action regarding plans the proposed annexation of the Williams Road right-of-way from West Village Road to FM 2484. (*Village Administrator*)

Village Administrator Ferguson requested continuance of this item until the Board's Special meeting on February 28, 2019. No action was taken.

At Mayor Blancett's request, Village Administrator Ferguson provided an anticipated timeframe for the upcoming TxDOT Main Street improvement project, which is expected to take 18 months to complete. Mayor Blancett favored scheduling a town hall meeting within the next month.

4. Workshop

- A. Discuss and consider issues relating to the establishment of minimum lot sizes for future development in Salado. (*Village Administrator*)

Village Administrator Ferguson stated the Board may want to consider looking at minimum lot sizes in the Village's Zoning Code given the impending wastewater system start-up and potential for smaller lot-size developments. He said additional single family residential zoning categories could be created for varying lot sizes/configurations that may help to avoid "tract" subdivisions. He provided examples of area "unified" codes that work together that promote more lot size options and do not limit the "look" of a community. He felt that development of a Code that encourages options for lot size/configuration, including "cluster" subdivisions that promote green space, walking trails, and cul-de-sacs would enhance developers' flexibility to be more creative by allowing for small, medium, and large lot sizes. He cited widely varied lot sizes in surrounding cities' codes based on their zoning designations, but advocated creating 4 to 6 types of residential zoning categories that envision different types of developments. After adoption of Comprehensive Plan updates, he favored Board discussion and consideration of lot sizes soon thereafter. It was noted that once a developer files an application, that developer is only required to comply with existing regulations, not regulations that are being reviewed for possible updates.

Discussion addressed innovative ideas promoting alternative types of subdivisions, as opposed to standard "tract" home style subdivision; possible Zoning Code classifications and relationship of lot size to setback size; planning from a community perspective; and possible formation of a task force to create a vision for Code amendments dealing with lot sizes. Mayor Blancett favored including an item on the Board's next agenda creating an inclusive task force.

- B. Discuss and consider issues relating to future annexation plans. (*Village Administrator*)

Village Administrator Ferguson explained that the Village can only consider voluntary annexations, as a General Law city. He spoke of the need for annexation boundary agreements

with surrounding cities due to impending growth and developments encroaching from both north and south of Salado. He expressed concerns regarding development from the south side of Salado and felt Salado needs to promote positive growth and development south of Salado.

Discussion addressed the need to clean-up certain properties within the Village of Salado's and City of Belton's E-T-Js; eliminate duplications/overlaps; and look at right-of-way issues. Consensus was reached to move forward at this time with Board discussion and possible action to be placed on a future agenda.

- C. Discuss and consider issues relating to the wastewater system connection requirements for potential customers who have recently acquired a septic system. (*Village Administrator*)

Village Administrator Ferguson asked for Board input on a possible extension of time to connect to the Village's wastewater system to those property owners who recently acquired a septic system to help owners recoup their investment. He noted past discussions that addressed factors such as the duration of time that property owners might delay connection, how recently the septic system was purchased, and whether waivers should be uniform or decided on a case-by-case basis. Mayor Pro-tem Coachman asked about the possibility of setting a life span for the recently purchased septic system, beginning at the time of purchase. As an example of a seven-year life span concept, he stated that a property owner who purchased a septic system two years ago would have five years to connect. Discussion between Village Administrator Ferguson and Alderman Coggin established that no one has yet approached the Village requesting any type of hardship waiver that is specifically related to a recently purchased private septic system. Mayor Blancett said that any policy has to be fair and Village Administrator Ferguson favored setting a uniform standard applicable to the initial customer base, if the Board so desires. Consensus was reached to consider a draft policy as a future agenda item.

Adjournment


Mayor Pro-tem Coachman moved to adjourn. Alderman Jackson seconded. Mayor Blancett called the meeting adjourned at 8:31 p.m.

Recorded by:

Cara McPartland

These minutes approved on the 7th of March, 2019.

APPROVED:


Skip Blancett, Mayor

ATTEST:


Cara McPartland, City Secretary

